



State of Connecticut
HOUSE REPUBLICAN OFFICE
STATE CAPITOL
HARTFORD, CONNECTICUT 06106-1591

Testimony in Support of House Bill 5380
GAE Committee
March 11, 2022

Chairs Fox and Flexer, Ranking Members Mastrofrancesco and Sampson, and Members of the Government Administration and Elections Committee, the House Republican Caucus would like to thank the Committee for raising **House Bill 5380: An Act Concerning Audits of Certain Financially Distressed Municipalities by the Auditors of Public Accounts**.

Created in 2017, the Municipal Accountability Review Board ("MARB") provides technical, financial and other assistance and accountability for municipalities experiencing various levels of distress. Municipalities are rated into tiers, based on a formula that takes into account factors such as bond rating, mill rate, and percentage of general fund revenues that come in the form of municipal aid from the state, and those rated in Tiers II, III, or IV are referred to the MARB with graduated levels of oversight.

Currently, three municipalities—Hartford, West Haven, and Sprague—have been referred to the MARB. As we all know, West Haven has been the subject of scrutiny in past months over its wasteful and fraudulent spending of federal pandemic-relief funds. When our caucus staff reached out to the Auditors of Public Accounts to inquire as to whether audits of the town's handling of municipal aid from the state were being conducted, we were shocked to hear that the Auditors had no statutory authority to have a presence in MARB-designated towns--- despite the towns' demonstrated fiscal distress and the great amount of state money that flows into them.

HB 5380 would address this situation by granting our Auditors of Public Accounts the ability to audit MARB-referred towns on an annual basis. Taxpayers of Connecticut have been inundated with examples of their tax dollars being abused. This bill represents one small step toward restoring trust that the revenue the state collects is being spent appropriately.

We urge the Committee to pass House Bill 5351 to allow the full House of Representatives an opportunity to discuss this important proposal.